

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the
Commission's Proposed Policies and Programs
Governing Low-Income Assistance Programs

Rulemaking 01-08-027
(Filed August 23, 2001)

**ASSIGNED COMMISSIONER'S RULING SOLICITING COMMENTS ON
DRAFT LOW-INCOME NEEDS ASSESSMENT STUDY (PHASE 1)
AND DIRECTING AN ADDITIONAL PHASE 2 STUDY TASK**

On April 3, 2001, Energy Division submitted a draft report on the Low-Income Needs Assessment (Phase 1), as required by Commission Resolution E-3646, dated February 17, 2000.¹ In that resolution, the Commission directed Energy Division to convene workshops for the purpose of designing the study objectives. From October, 2001 through March, 2002, Energy Division held a series of workshops on the study objectives of the Needs Assessment and on the Request For Proposal (RFP) for Phase 2 of the study, the primary data gathering phase. The April 3, 2001 draft report identifies the study objectives, identifies data gaps to be filled as part of Phase 2, and discusses the design of Phase 2. The draft report also includes a proposed RFP for Phase 2.

¹ The draft Phase 1 report was served on all parties of record in this proceeding. Requests for copies of this report should be submitted to Brenda Gettig at 858-481-0081, or by emailing her at brenda@rer.com.

By this ruling, I am soliciting written comments on the draft report from interested parties and the Low Income Oversight Board (LIOB), the Commission's advisory board on low-income assistance programs. Since LIOB members have just been appointed, I am extending the comment period to 45 days from the date of this ruling. Replies to the comments filed by LIOB and interested parties are due 20 days thereafter.

The LIOB's comments should be prepared in the form of a report to the Commission. The LIOB report should describe the process by which LIOB developed its recommendations (e.g., soliciting comments from the public at meetings) and the various views or options considered in developing the report recommendations. Parties' comments and the LIOB report should focus on specific aspects of the study design or draft RFP that the Commission should consider modifying. The comments and LIOB report should present a detailed discussion of the reasons for these modifications, and provide specific language change proposals for the report and draft RFP. I encourage the LIOB to facilitate public meetings to discuss the various viewpoints on the proposed study design and RFP both prior to the submission of its report, and again after the comments are filed, prior to the submission of replies.

There is an additional area of inquiry that I believe Phase 2 of the Needs Assessment Study should address based on public feedback to date concerning California Alternate Rates For Energy (CARE) program penetration rates. At the February 8, 2002 prehearing conference in this proceeding, several parties suggested that the Commission monitor penetration levels in terms of ethnic and elderly demographic groups. This issue was raised out of a concern that the utilities' penetration and outreach efforts might not be in line with changes in demographics over time. Judge Gottstein directed Pacific Gas and Electric

Company, San Diego Gas & Electric Company, Southern California Edison Company and Southern California Gas Company (collectively referred to as “the utilities”) to provide supplemental information on how to obtain demographic break-downs of CARE penetration rates in the future.

In their February 19, 2002 comments, the utilities explain that there is no simple way to review the roster of CARE customers and determine the ethnic or age breakdowns of CARE participants, since it is current Commission policy to not request that information on CARE applications. In Decision (D.) 89-09-044, the Commission considered a request to review participation of various demographic groups in the CARE-predecessor program, the Low-Income Rate Assistance (LIRA) program. In that decision, the Commission stated that requesting optional race and age information on the program applications “is unacceptable to the Commission. A request for racial information on an application for benefits conferred on the basis of income, whether optional or not, is a deterrent and is an invasion of privacy. The same can be said for age information. The Commission should not condone this practice.”² Hence, the utilities do not currently obtain or track specific customer data concerning customers’ ethnicity or age in direct response to the Commission’s orders to not track this type of information. As the Commission acknowledged in D.89-09-044, a more appropriate way to collect demographic-based participation information would be for the utilities to conduct a demographic survey of their ratepayer population, and to collect data on LIRA participants out of that pool of

² See D.89-09-044, 32 CPUC 2d 406, 414.

responses.³ However, the Commission declined to order such a comprehensive study at that time. I believe that the issue of how to collect information on the demographic characteristics of CARE participants should be further explored during Phase 2 of the Needs Assessment Study. Specifically, the Phase 2 report should include:

- (1) A description of the various methods/options for gathering information on demographic characteristics of CARE participants.
- (2) A discussion of the relative accuracy of each method identified in (1) when used to develop penetration rates for sub-sectors of the low-income population, and
- (3) The data collection requirements and associated costs for developing penetration goals and penetration rate that are disaggregated based on demographic characteristics, based on the methods discussed above.

Once this information is available, I intend to direct the LIOB and interested parties to develop recommendations on whether penetration goals and penetration rates should be further disaggregated by demographic characteristics and, if so, the frequency of reporting such information by the utilities.

Within 15 days from the date of this ruling, Energy Division (or its consultants, Regional Economic Research) should modify the draft Phase 2 RFP to reflect this task, and file and serve the modifications to the service list in this proceeding and the LIOB. Comments and replies on the draft Phase 1 report should also address these modifications.

³ *Id.*

IT IS RULED that:

1. Energy Division shall immediately serve all the Low Income Oversight Board (LIOB) members with a copy of the Phase 1 Needs Assessment Report and Draft Phase 2 Request For Proposal (RFP), dated April 3, 2002.

2. As discussed in this ruling, the LIOB shall review the April 3, 2002 Phase 1 report and Phase 2 RFP, and submit its comments and recommendations in the form of a report to the Commission.

3. As discussed in this ruling, Energy Division (or its consultants) shall prepare modifications to the RFP within 15 days from this ruling that augment Phase 2 to include:

- (1) A description of the various methods/options for gathering information on demographic characteristics of California Alternate Rates For Energy (CARE) participants.
- (2) A discussion of the relative accuracy of each method identified in (1) when used to develop penetration rates for sub-sectors of the low-income population, and
- (3) The data collection requirements and associated costs for developing penetration goals and penetration rate that are disaggregated based on demographic characteristics, based on the methods discussed above.

Copies of the modifications shall be served on the service list in this proceeding and on each member of the LIOB.

4. LIOB's report and interested parties' comments on the April 3, 2002 Phase 1 report and Phase 2 RFP, including the modifications directed by this ruling, are due within 45 days from the date of this ruling. Replies to LIOB's report and interested parties' comments are due 20 days thereafter.

5. All comments, reply comments and reports required by today's ruling shall be filed at the Commission's Docket Office and served electronically on all appearances and the state service list in this proceeding and the LIOB. A list of the LIOB members and their addresses is attached. Service by United States mail is optional, except that a hard copy shall be mailed to Judge Meg Gottstein. In addition, if there is no electronic mail address available, the electronic mail is returned to the sender, or the recipient informs the sender of an inability to open the document, the sender shall immediately arrange for alternate service (regular United States mail shall be the default, unless another means—such as overnight delivery—is mutually agreed upon). Parties that prefer a hard copy or electronic file in original format in order to prepare analysis and filings in this proceeding may request service in that form as well. The current service list for this proceeding is available on the Commission's web page, www.cpuc.ca.gov.

Dated May 9, 2002, at San Francisco, California.

/s/ CARL WOOD

Carl Wood
Administrative Law Judge

ATTACHMENT

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NOTE: The selection of a Board member from the Governor's Office has not yet been made.

(END ATTACHMENT)

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail to the parties to which electronic mail has been provided, this day served a true copy of the original attached Assigned Commissioner's Ruling Soliciting Comments on Draft Low-Income Needs Assessment Study (Phase 1) and Directing an Additional Phase 2 Study Task on all parties of record in this proceeding or their attorneys of record and the Low Income Oversight Board members listed in the Attachment.

Dated May 9, 2002, at San Francisco, California.

/s/ JACQUELINE GORZUCH
Jacqueline Gorzoch

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.